

WORKFORCE OBSERVATIONS FOR WEST CENTRAL WISCONSIN COUNTIES

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State of Wisconsin
Department of Workforce Development

December job losses push unemployment rates up

The seasonally adjusted unemployment rate for the Eau Claire-Chippewa metropolitan statistical (MSA) area rose in December to 5.2 percent, the highest it's been in eight months. According to estimates released by the Department of Workforce Development, in spite of the increase in the local unemployment rate remains less than state and national unemployment rates and has been below the national rate since February.

The lower rates are little consolation, however, if you are one of the 4,400 residents in the area without a job; a number that increased by 400 from November and is 200 higher than one year ago. Some consolation to the unemployed is that the number of residents with jobs has increased. One year ago 79,200 residents were employed compared with 80,900 this December. Together, the number of unemployed and employed added to the total labor force of 85,300 in the Eau Claire-Chippewa MSA.

The current unemployment rate is the highest rate for December in the Eau Claire metro area since 1993. In 1993 though, there were fewer unemployed and the total labor force was only 74,000.

In December, six of the state's eleven metropolitan areas had unemployment rates higher than Eau Claire. The highest rate was 8.3 percent in Racine while the lowest was 2.7 percent in Madison. The state unemployment rate in December was 5.4 percent, seasonally adjusted.

The majority of the unemployed in the metro areas and the state are from manufacturing jobs and the areas with a greater share of production jobs have higher unemployment rates. In the Eau Claire area, there are 500 fewer manufacturing jobs than one year ago and over 1,200 fewer than two years ago. The average number of production jobs in 2002 was 11,400, down 700 from the average in 2001. Recent news announcements are encouraging that production demands for industrial equipment might increase but recovery is slow.

A slow recovery also tainted a good retail trade report this year and left retail employment in the metro area short 200 from a year ago. There were 17,800 jobs in retail trade in December, the same as there were one

month earlier. For the year, employment in retail trade averaged 17,400 jobs in 2002, 300 shy of the average for 2001.

Retail and manufacturing were the only two industry divisions with job losses in 2002, however. The job gains in construction, services, and government more than compensated for these losses. Service industry employers added nearly 500 jobs, primarily in health care, to reach an average of 22,550 jobs in 2002. The average number of construction jobs increased from 3,400 in 2001 to 3,800 in 2002. And, government employment increased from 11,800 to 12,100. Overall, there were 76,650 jobs in the metro area in 2002, 200 more than in 2001.

The additional jobs in the metro area contributed to the increase of 2,000 jobs in the entire West Central region in 2002. However, the rural counties accounted for 90 percent of the job growth in 2002 even though they had less than 60 percent of the 179,815 jobs. The greatest share of the additional jobs were with service industry employers, followed by increases in government, construction, and retail trade.

All nine counties reported job growth in services but increases in government jobs occurred in counties with tribal businesses (Barron and Polk), state universities (Dunn and Pierce), and in St. Croix with a large influx of new residents. Construction employment was also strongest in counties with larger gains in population.

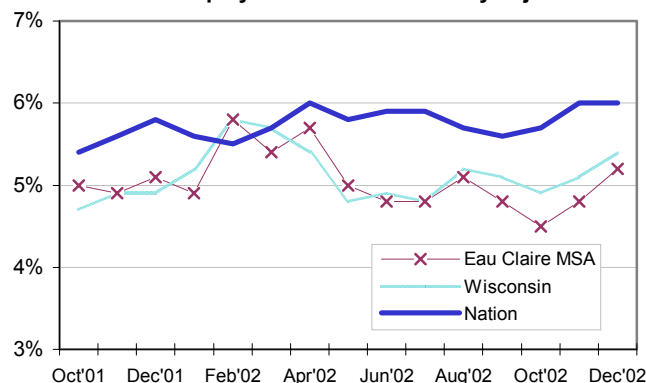
In the most recent report, all but one county, Polk, showed a reduction in jobs from November to December but all counties reported an increase in unemployment rate. For most of the counties the last time the December rate was this high was in 1993 or 1994.

The highest unemployment rate in the region of

7.4 percent was in St. Croix County. The rate increased 1.8 percentage points from November, the third greatest increase in the state. The lowest unemployment rate in the region, not seasonally adjusted, was 4.2 percent in Eau Claire County.

That range of unemployment rates produced a regional rate of 5.7 percent in December, up from 4.5 percent in

Unemployment Rates-Seasonally adjusted



	Oct'01	Nov'01	Dec'01	Oct'02	Nov'02	Dec'02
Eau Claire MSA	5.0%	4.9%	5.1%	4.5%	4.8%	5.2%
Wisconsin	4.7%	4.9%	4.9%	4.9%	5.1%	5.4%
Nation	5.4%	5.6%	5.8%	5.7%	6.0%	6.0%

November and 5.0 percent one year ago. Out of a total labor force of 233,500, 13,420 were unemployed and 220,100 worked. The number of unemployed in December was nearly 3,000 more than in November and 2,000 more than one year ago.

SIC coding ends, NAICS coding begins...

The table below that includes nonfarm wage and salary employment estimates by county will change drastically with the release of January 2003 estimates. For nearly seventy years employment estimates for industries have used Stan-

dard Industry Classification (SIC) codes and that will end with the December 2002 estimates. Beginning with January 2003, employment estimates will use the North American Industry Classification System (NAICS).

There will be many changes under NAICS but the total employment estimate for each county will not change. Old SIC industries have been split creating new sectors and comparisons to previous years will be difficult. Initially, only one year of historic data will be available under NAICS for counties but state and metropolitan areas will go back to 1990.

December 2002 Estimates									
Not seasonally adjusted	Wisconsin	EC MSA	Barron	Clark	Dunn	Pepin	Pierce	Polk	St.Croix
Civilian Labor Force*	3,050,600	85,200	24,000	15,800	23,500	3,100	21,700	24,000	36,200
Employed	2,900,000	80,900	22,500	14,800	22,500	2,900	20,600	22,400	33,600
Unemployed	150,600	4,300	1,400	1,100	1,000	200	1,100	1,700	2,700
Unemployment rate(%)	4.9%	5.0%	6.0%	6.8%	4.4%	6.2%	4.9%	6.9%	7.4%
Total jobs, all industries**	2,856,000	77,400	21,400	9,900	16,500	2,100	11,100	15,300	27,600
Construction & Mining	122,880	3,460	720	580	610	170	450	720	1,660
Manufacturing	564,860	11,170	6,280	3,050	2,380	160	1,340	4,540	6,460
Transportation & Public Util.	132,220	3,340	730	450	550	90	510	470	1,130
Wholesale Trade	135,760	3,240	590	500	630	250	200	370	700
Retail Trade	521,580	17,780	4,190	1,240	4,220	400	2,410	2,670	6,440
Finance,Ins,Real Estate	153,980	2,980	410	230	450	70	340	490	1,060
Services	797,970	22,540	3,790	1,720	2,830	410	2,120	3,280	6,350
Government	426,760	12,840	4,680	2,160	4,860	550	3,720	2,800	3,850
Change from previous month									
Civilian Labor Force*	-5,500	-500	-100	-200	-200	-100	200	300	600
Employed	-16,700	-1,200	-400	-400	-400	-100	0	-100	0
Unemployed	11,200	700	300	200	300	0	200	400	700
Unemployment rate(%)	0.4%	0.9%	1.1%	1.4%	1.1%	1.5%	0.9%	1.7%	1.8%
Total jobs, all industries**	-14,000	-1,200	-200	-100	-100	-100	-200	0	-200
Construction & Mining	-8,200	-600	-100	-100	-100	0	0	-100	0
Manufacturing	-2,820	-30	-40	-10	-10	0	10	-50	-190
Transportation & Public Util.	220	20	0	0	0	0	0	-10	0
Wholesale Trade	690	-20	0	0	-10	0	0	0	-10
Retail Trade	2,920	-10	20	-50	-90	-50	20	-40	60
Finance,Ins,Real Estate	130	-10	0	0	0	0	0	0	0
Services	-20	-60	-50	10	-40	0	-10	100	-100
Government	-6,970	-530	30	10	60	0	-180	50	50
Change from one year ago									
Civilian Labor Force*	69,500	1,800	400	300	700	100	400	800	1,300
Employed	50,900	1,600	300	200	600	100	200	500	300
Unemployed	18,600	200	100	0	100	0	200	300	1,000
Unemployment rate(%)	0.5%	0.1%	0.5%	0.0%	0.3%	-0.1%	1.0%	1.1%	2.5%
Total jobs, all industries**	20,000	500	-100	0	300	0	-100	100	800
Construction & Mining	3,100	100	0	100	0	0	0	0	200
Manufacturing	-10,040	-550	-150	20	40	-10	-40	-80	-270
Transportation & Public Util.	-1,820	20	10	20	0	-10	-10	0	30
Wholesale Trade	-730	120	20	-30	0	0	-20	0	60
Retail Trade	3,170	-180	-110	-20	30	-10	30	60	420
Finance,Insurance,Real Estate	2,790	130	-20	0	20	0	20	30	100
Services	21,370	370	70	10	80	10	-10	-40	150
Government	2,180	530	160	-70	70	10	-110	120	140

* Includes participants residing in area. ** Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI

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